

Villa Muse ETJ Release

Council Presentation

March 6, 2008

City Team

■ Legal Team

- Fred Bosse (Lead)
- David Smith
- Tom Nuckols
- Sharon Smith

■ Financial Team

- Bill Newman (Lead)
- Leslie Browder

■ Land Development Team

- Pat Murphy (Lead)
- Greg Guernsey
- Jerry Rusthoven
- Virginia Collier
- Jackie Chuter
- Bart Jennings

Seeking Direction from City Council

- Seek City Council guidance on which of 3 basic options to pursue with Villa Muse.

Villa Muse Site Location

- 1,900 acres
 - 1,110 acre Villa Muse Site
 - 800 acre Travis Aggregates Site
- FM 969 and Burleson-Manor Road
- Mouth of Gilleland Creek at Colorado River
- SH 130 Corridor
- City's 5-Mile Extraterritorial Jurisdiction
- City's Desired Development Zone



Villa Muse Project

■ Media Facility Anchored by “Villa Muse Studio”

- Film
- Television
- Music
- Videogames
- Animation
- other media

■ Master-Planned Community

- Dense Mixed-Use Development
- Support commercial and retail
- Residential
- Open Space

Villa Muse Site Characteristics

■ Existing Agricultural Land Use

- Hay Production

■ Gilleland Creek

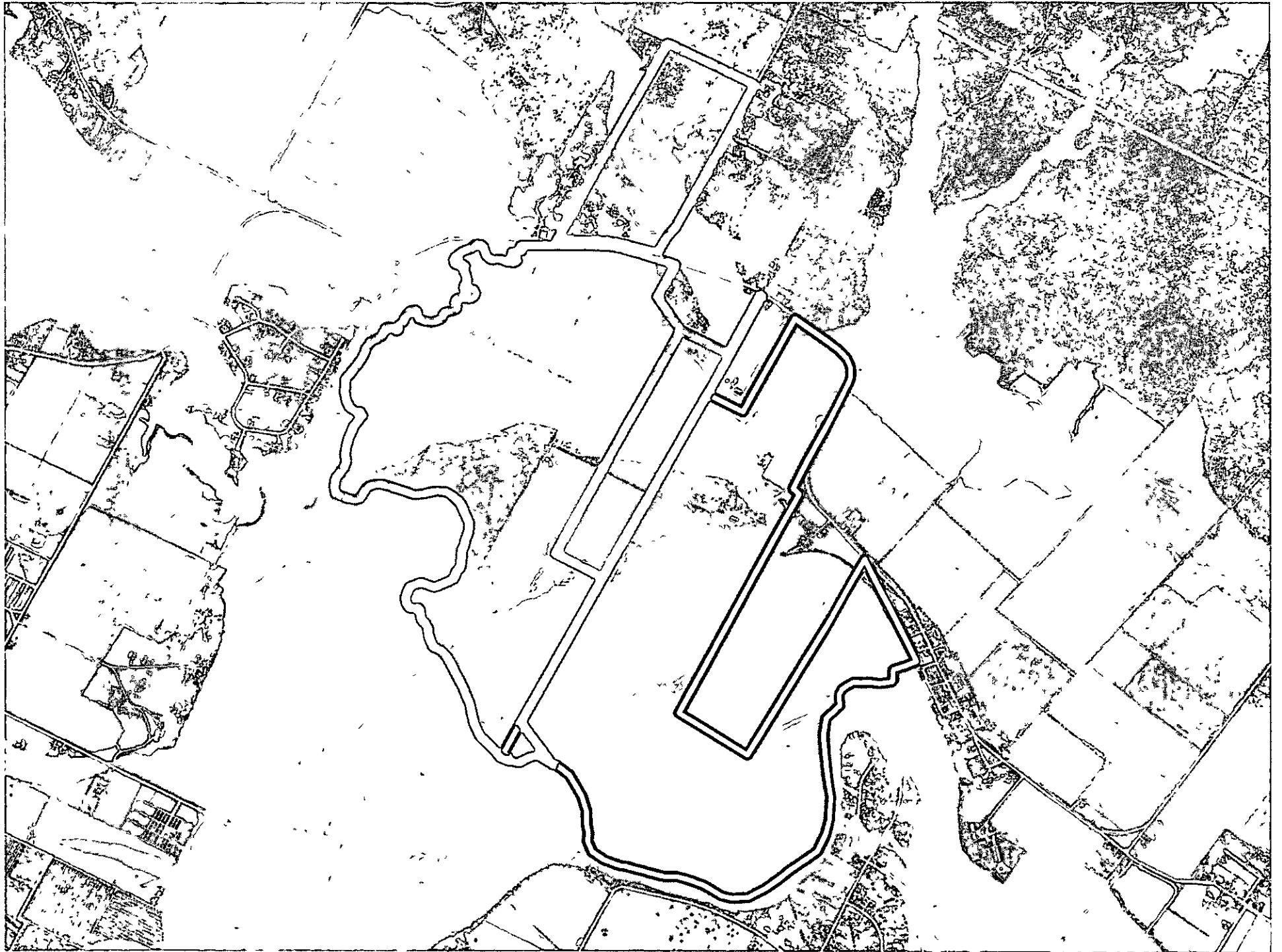
- Large upstream drainage area
- Narrow riparian corridor

■ Flat topography

- Gentle slopes
- Deep clay soils

■ Floodplain

- Wide and shallow



Three Options

- Deny request for ETJ Release
- Develop inside City ETJ
- Release from City ETJ

Option 1: Deny Request for ETJ Release

- Council Resolution establishes the following criteria for release:
 - Annexation potential
 - Environmental impact
 - Infrastructure investment
 - Growth and planning impacts of cumulative ETJ releases
 - Hardship or extenuating circumstances
- Staff recommendation to deny based on existing Council policy.

Option 2: Develop Inside City ETJ

- Chapter 212 Development Agreement
 - Defer annexation until project completion
 - 15 year increments up to 45 years
 - Delay annexation and, therefore, City taxes

- Consent to form PIDs or Road Districts

Option 2: Develop Inside City ETJ (cont.)

- PUD Zoning or ETJ PUD
 - Land Use Controls
 - Potential Variances
 - Drainage
 - Floodplain modifications
 - Environmental
 - Critical WQZ
 - Cut and Fill
 - Impervious Cover
 - Transportation
 - Private Streets and Alternative Street Standards
- Joint Wastewater Service agreement between COA and Hornsby Bend

Option 3: Release from City ETJ

Villa Muse proposes 2 step process:

1. City releases land from ETJ.
 - Release effective upon execution of Villa Muse/City/County agreement.
2. City can take back land into the ETJ and then annex it once certain conditions occur. Examples:
 - Studio construction isn't started in 3 years.
 - Studio not producing revenue in 7 years.
 - City assumes all debt if annexed prior to 40 years, including road district debt, and MUD debt.
 - Development is complete and MUD debt is paid off.

Option 3: Legal Authority for Release

- Authority for release is clear.
- Authority for “take back” is much less clear.

Option 3: Other Issues and Concerns

- Release allows creation of MUDs without City's consent.
 - MUDs can't be bound because they don't exist yet.
 - Without the opportunity to negotiate the MUD consent agreements, the City cannot:
 - require the MUDs to develop land plans or submit bond issues to the City for approval,
 - require developers in the MUD to get building permits, or
 - negotiate the dedication of other public facilities, parks, schools, fire stations, etc.

Option 3: Other Issues and Concerns

- Land Use: No assurance ETJ release won't facilitate types of development the City wishes not to promote.
- Leaves County as only regulatory authority; County regulations contain most, but not all, City requirements.
 - Water Quality regulations less stringent than City requirements

Staff Recommendation: Option 2



